

BUSINESS MEETING  
STATE OF CALIFORNIA  
ENERGY RESOURCES CONSERVATION AND  
DEVELOPMENT COMMISSION

ENERGY COMMISSION  
1516 NINTH STREET  
HEARING ROOM A, FIRST FLOOR  
SACRAMENTO, CALIFORNIA

TUESDAY, JULY 2, 2002

10:00 A.M.

JAMES F. PETERS, CSR, RPR  
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PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

APPEARANCES

COMMISSION MEMBERS

William Keese, Chairperson

James Boyd

Robert Pernell

Arthur Rosenfeld

STAFF

Steve Larson, Executive Director

Bill Chamberlain, Chief Counsel

Betty McCann, Executive Secretary

Robert Worl, Project Manager

PUBLIC ADVISER

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1 PROCEEDINGS

2 CHAIRPERSON KEESE: Call the meeting of the  
3 Energy Commission to order.

4 Commissioner Pernell, would you please lead us in  
5 the pledge, please.

6 (Thereupon Commissioner Pernell led the Pledge  
7 of Allegiance.)

8 CHAIRPERSON KEESE: Thank you.

9 We have before us Item 1, Los Esteros Critical  
10 Energy Center: Commission consideration and possible  
11 adoption of the Committee's Presiding Member's Proposed  
12 Decision for the Los Esteros Critical Energy Center.

13 Before we begin, do we have anybody who is  
14 participating by telephone?

15 At this time, do we have anybody participating?

16 MR. TAYLOR: Yes, we do.

17 Stephanie.

18 CHAIRPERSON KEESE: Please let us know, will you,  
19 if and when and who.

20 Mr. Worl.

21 PROJECT MANAGER WORL: My name is Robert Worl. I  
22 am the Project Manager of the Los Esteros Project.

23 Arlene Ichien is sitting in for Dick Ratliff, who  
24 is the project attorney.

25 CHAIRPERSON KEESE: And we have the project

1 before us. Would you like to --

2 PROJECT MANAGER WORL: The project is the Los  
3 Esteros Project. This is a simple cycle, 180 megawatt  
4 power plant in northern San Jose, Santa Clara County.

5 And the project is approximately 18 acres of  
6 property that had previously been greenhouses, but has  
7 been removed by the -- removed from prime agricultural  
8 land status; has been properly zoned by the city of San  
9 Jose in a rezone of a proposed development zone,  
10 specifically to enable the project and its facility.

11 The water that will be used for cooling is  
12 recycled water from the water pollution control plant  
13 there in San Jose, adjacent to the project site.

14 CHAIRPERSON KEESE: Thank you.

15 The Committee, composed of myself and  
16 Commissioner Boyd, has submitted its presiding members'  
17 proposed decision for the plant and are -- documents are  
18 before everybody.

19 Staff supports this project?

20 PROJECT MANAGER WORL: Yes. We think that this  
21 is a good project. As it's developed, it's taken an  
22 interesting time period to get through the four-month  
23 process. And in so doing, a great many issues have been  
24 identified and resolved favorably. And we feel that the  
25 project deserves a positive decision today.

1 CHAIRPERSON KEESE: Thank you.

2 Mr. Williams.

3 MR. WILLIAMS: Good morning.

4 CHAIRPERSON KEESE: Would you like to bring us up  
5 to speed.

6 MR. WILLIAMS: Thank you, Chairman. Good  
7 morning, Commissioners.

8 We've presented the PMPD this morning. We have  
9 presented the errata to the parties. A lot of the errata  
10 has to do with conditions that were changed slightly to  
11 comply with either former decisions or the preliminary  
12 determination of compliance.

13 We have made those changes. We think the project  
14 is -- with the inclusion of the errata, that the PMPD is  
15 now appropriate for adoption.

16 CHAIRPERSON KEESE: Thank you.

17 And on behalf of the applicant, I would -- the  
18 applicant is supportive of this at this time in this form?

19 MS. LUCKHARDT: Yes, the applicant is supportive  
20 -- this is Jane Luckhardt from Downey, Brand, Seymour and  
21 Rohwer representing Calpine in this proceeding.

22 We are supportive of the project. And we  
23 appreciate the diligence and effort taken by this  
24 Committee to incorporate the comments that were received  
25 orally and in writing on the PMPD.

1 CHAIRPERSON KEESE: Thank you.

2 We had intervenors in this.

3 Is the city of Milpitas represented?

4 I believe the city of Milpitas withdrew their  
5 objections at an earlier point.

6 Do we have a representative of the Coalition of  
7 Rate Payer and Environmental Groups?

8 Hearing none.

9 Mr. Garbett, do you have any comments on this?

10 MR. GARBETT: Yes Wayne Garbett representing the  
11 public.

12 The reason why you don't have any intervenors is  
13 you have sought to eliminate them from the very beginning.  
14 One of the intervenors in the very beginning stating why  
15 they wanted to come on to be an intervenor, the order  
16 allowing them to be an intervenor basically denied them  
17 all those privileges.

18 Later on the city of Milpitas was basically  
19 effectively eliminated by an alleged settlement agreement.  
20 Unfortunately, that settlement agreement was only signed  
21 by the applicant and was adopted by the Commission. So  
22 therefore it has no bearing whatsoever in your evidentiary  
23 record since it was submitted after your PMPD.

24 With myself representing the public as an  
25 intervenor, basically starting May 8th I was denied all

1 access to basically the documents and participation in the  
2 procedures.

3           The evidentiary hearings on May 20th, I was not  
4 able to basically be there or to reconstitute myself as to  
5 the matters that went on. All documentation has been  
6 refused by your dockets office, whether it is asking for  
7 it as an intervenor or in a public records act. They are  
8 too busy. They haven't had time to do it.

9           This project in the very beginning was thought to  
10 be one that could feasibly be done in short order. I am  
11 in total disagreement now because all the zoning laws and  
12 other modifications that have been done by the city of San  
13 Jose have been done in various names of various parties.

14           Let's assume that Calpine is the only name on all  
15 of these documents. They still don't wash because many of  
16 the local ordinances and so forth do not go into effect  
17 until January 1st of 2003, the end of the present calendar  
18 year. Therefore, the project could not come on line by  
19 December 31st of 2002, obviously.

20           Of the documents that the applicant has  
21 submitted, most of them only have their signature on it.  
22 The city officials haven't signed them. Items such as the  
23 zoning basically had to have an agreement with the city  
24 attorney prior to the passage of that agreement. That was  
25 not done. It was brought out later on when Darrell



1 Dearborn attempted to sign it. Basically, the date he was  
2 signing it was scratched out and left uncompleted.

3           These have been submitted to the Commission, and  
4 you have basically swallowed everything hook, line, and  
5 sinker.

6           Unfortunately, the project management on this is  
7 faulty because on a critical path method it doesn't wash  
8 politically, it doesn't wash legally as far as LORS go,  
9 and as far as the operation doesn't wash there.

10           You basically failed most every legitimate  
11 concern that people have actually placed before you. You  
12 haven't got your ducks in a row. There are too many  
13 interruptions in between. You can't build this on time.  
14 You can't, you might say, extend your four-month project.  
15 It has to be a minimum of a year project. And to go back  
16 and do your homework, cross the T's and dot the I's, is  
17 almost impossible because of the broken track that you've  
18 left in between.

19           Your errata basically showed up this morning as  
20 the first time to observe it, and for that reason violates  
21 the Brown Act -- Bagley-Keene Act.

22           And for these reasons you aren't prepared to act  
23 today, even though you you're having a hearing today,  
24 because of certain deficiencies once again on the paper  
25 work. The critical path, you haven't got your act

1 together on this.

2 Now, had the staff, who has actually employed due  
3 diligence -- they have actually done the critical path  
4 method and tried to go and bail this project out. They  
5 have done an outstanding job at every step of the way.

6 However, the failings are on the part of the  
7 applicant. If their positions were interchanged, I might  
8 say go ahead with your project even though you have some  
9 very big health problems and I feel worker safety problems  
10 and that.

11 Ordinarily, a construction of a power plant is a  
12 ho-hum project. On this one, I fear there's going to be  
13 some very bad worker problems, perhaps loss of life on the  
14 project, the way it's been run before.

15 A complaint was made about construction  
16 proceeding before the fact. And that was blown away  
17 because they basically said, "Oh, it was at a different  
18 spot." Well, not what I see personally.

19 And this is the thing that goes on. The  
20 Commission has attempted to cover for the applicant every  
21 time they violated some -- which is commendable because  
22 you're trying to approve an application. But in every  
23 case virtually the applicant has been wrong or the  
24 Commission has basically been speaking on the part of the  
25 applicant and not as a part of an independent

1 decision-making body.

2           And for these reasons you are going to proceed  
3 with the PMPD, and a final decision would basically be  
4 bad. You have not taken into account the Air Resources  
5 Board and their regulations on PM 225 and allowed any  
6 mitigation of any factors in there.

7           For these reasons, you're not acting with the  
8 Resources agency, your home body, and you're acting in  
9 violation of CEQA.

10           The CEQA Act isn't together. The zoning  
11 basically doesn't apply. Even the master plan  
12 modifications for Alviso that included an extra high  
13 100-foot height is not there. Once again, it doesn't go  
14 in effect until January 1st of 2003.

15           There are many ways this project could basically  
16 have been built. I think you need to go back and consider  
17 this on a one-year program as a combined-cycle power  
18 plant, save the applicant a lot of headaches and the  
19 Commission a lot of headaches, because it is not going to  
20 be ready by December 31st, one way or the other.

21           And if it is, God help us on the product they're  
22 going to deliver, because I don't think they can do it.  
23 Even though haste has made waste so far, I don't think  
24 they're going to do it.

25           But you do have to look at public safety also.

1 There are certain factors, for instance, that was already  
2 discussed, for instance on the Los Esteros substation.  
3 Staff report had found a dramatic influence on what they  
4 call justice for people of color.

5           Unfortunately, your CEQA document says there is  
6 no particular problem with what they call the justice for  
7 those people of color or colored people. There is a  
8 significant impact. It was cited in another CEQA document  
9 in this state. How you can whitewash that is beyond  
10 belief.

11           They had concerns in that PUC document about the  
12 Chinese population. Well, first thing off in this project  
13 the Chinese population was eliminated in or about the  
14 site. And that was one of the worries of the PUC and the  
15 resettlement, if possible, of those people.

16           The graves that were on site of the Chinese  
17 people haven't been dealt with, nor American Indians of  
18 various tribes that may be on the site also. The Chinese  
19 graves are well known. It was by the same well sites that  
20 you dumped the toxic materials down and capped.

21           You didn't do a clean up there, the clean up  
22 around there. We basically observed it during the first  
23 meeting in Alviso where you had a site visit. We've seen  
24 the commingling of the pesticides around the site as they  
25 were destroying the last of the greenhouse buildings on

1 site.

2           How they got this memo from the city after the  
3 fact, after destruction had concluded, basically saying,  
4 "Oh, we want you to destroy these" -- which is against  
5 city policy normally. They wanted some mitigation done.  
6 But mitigation could have been temporary factors until  
7 they were properly assessed.

8           So basically you've ran this project into the  
9 ground both politically and legally. And the actual  
10 construction is not proper.

11           And for those reasons I think you need a longer  
12 time to look at it, particularly in violation of the Brown  
13 Act and Bagley-Keene Act.

14           Thank you.

15           CHAIRPERSON KEESE: Thank you, Mr. Garbett. We  
16 certainly acknowledge that there are -- almost acknowledge  
17 that this filing took place during a time of change in the  
18 electricities markets, and I could understand a complaint  
19 that we'd expedited it and pushed it through in four  
20 months. This Committee took considerable amount of time,  
21 more than the four months, and there were many, many  
22 changes that the applicant made as we went through the  
23 process.

24           I would ask staff three focused questions. But  
25 staff can respond as they wish. I'd like a comment on the

1 public safety issue and on the environmental justice  
2 issue.

3 And I would like counsel to advise us whether  
4 there are legal reasons why we cannot act today.

5 Mr. Worl.

6 PROJECT MANAGER WORL: My name is Robert Worl,  
7 Project Manager.

8 You asked three questions. One was on worker  
9 safety. Those issues were addressed by Dr. Alvin  
10 Greenberg in his analysis. And he felt that with the  
11 mitigation that was imposed, that there were going to be  
12 no worker safety issues for those working on the site or  
13 for those adjacent to the site.

14 The other question that you asked was -- I'm  
15 sorry.

16 CHAIRPERSON KEESE: Environmental justice.

17 PROJECT MANAGER WORL: Environmental justice.

18 We did environmental justice as a part of the  
19 analysis for several focused resource areas and found no  
20 environmental justice issues associated with the Los  
21 Esteros Project.

22 CHAIRPERSON KEESE: That's as defined by the  
23 federal government?

24 PROJECT MANAGER WORL: As defined -- yes.

25 CHAIRPERSON KEESE: Thank you.

1 PROJECT MANAGER WORL: And the third question you  
2 asked?

3 CHAIRPERSON KEESE: Was for one of our legal  
4 counsel's -- Mr. Garbett made a number of statements  
5 regarding Brown act, CEQA, et cetera, that we couldn't  
6 move forward.

7 Are we, as a commission, allowed to move forward  
8 at this time with what's before us?

9 CHIEF COUNSEL CHAMBERLAIN: Mr. Chairman, as you  
10 know I haven't participated in the proceeding up till now,  
11 but -- and many of the statements that Mr. Garbett made I  
12 think were difficult to understand.

13 But one contention that he had was that because  
14 the errata was only made available to him this morning,  
15 according to his statement, this would be a violation of  
16 the Bagley-Keene Act. I can certainly refute that. The  
17 Bagley-Keene Act requires the agenda to be published at  
18 least ten days prior to the meeting, which it was.

19 And then it also provides that writings that are  
20 public records that are distributed to members of the  
21 State body prior to or during the meeting pertaining to  
22 any item to be considered during the meeting shall be made  
23 available to -- for public inspection at the meeting if  
24 prepared by the State body or a member of the State body  
25 or after the meeting if prepared by some other person.

1           So the only requirement is that this document be  
2 available to him, which obviously it is today. I don't  
3 believe the Open Meetings Act provides a reason why you  
4 can't proceed with this.

5           As to his other contentions, I would defer to  
6 counsel who have been more involved in the case.

7           MS. LUCKHARDT: Well, there's one other issue  
8 that was brought up that I'm aware of. And that was in  
9 regards to a telephonic problem with the PMPD hearing  
10 where the phone system or the phone number may have been  
11 incorrect. That also does not violate my understanding of  
12 the Bagley-Keene act, in which case you have to identify  
13 the location of the meeting, the agenda, the time.

14           In addition, it's my understanding that the  
15 public adviser staff -- and it was something that we all  
16 witnessed and we were here. We held that hearing for a  
17 certain amount of time -- my guess is it may have been a  
18 half hour, forty-five minutes -- in order to allow a new  
19 telephone teleconference number to be established and to  
20 make attempts to allow intervenors or other interested  
21 members of the public to participate.

22           That is consistent with such things as moving the  
23 location of the meeting, where you would post the new  
24 location on the door and then allow sufficient time for  
25 people to get from the old location to the new location.



1           And I don't see anything within the Bagley-Keene  
2 Act or the Brown Act, which was used often as a reference  
3 item for the Bagley-Keene Act, that would say that that  
4 would be a violation of either of those.

5           CHAIRPERSON KEESE: Thank you, Ms. Luckhardt.

6           MR. WILLIAMS: Mr. Chairman, Major Williams, a  
7 hearing officer.

8           I would just like to comment on the level of Mr.  
9 Garbett's participation. We've tried to accommodate Mr.  
10 Garbett in his representative capacity.

11           He was given intervenor status. He had all the  
12 rights and privileges that an intervenor would normally  
13 have. He could have presented evidence. We paid  
14 attention to the level of participation that he exhibited  
15 by noting his comments or objections in the record and  
16 dealing with them.

17           I would note that, unfortunately, sometimes  
18 things don't go exactly as one would like in terms of  
19 telephone conferences and what have you. But Mr. Garbett  
20 does not even have a phone number where we can reach him  
21 to try to alleviate problems that occur, just in normal  
22 activity. And I think that's very unfortunate that he  
23 isolates himself, so to speak, even to the extent where no  
24 one can reach him as a representative of his organization.  
25 And, again, I think he should address that.

1           Again, the record is -- the PMPD is replete with  
2 our discussing his objections and comments. We've not  
3 tried to exclude him. We've tried, and in fact bent over  
4 backwards, to bring him into the process and make sure  
5 that he's had every opportunity to voice whatever concerns  
6 he may have.

7           And for the most part his claims have been  
8 unsubstantiated and without any evidence to support  
9 whatever claim that may be.

10          So I just wanted the record to be clear on that  
11 point.

12          Thank you.

13          CHAIRPERSON KEESE: Thank you.

14          COMMISSIONER BOYD: Mr. Chairman, I'd like to  
15 make a couple of remarks if you don't mind.

16          CHAIRPERSON KEESE: Commissioner Boyd.

17          COMMISSIONER BOYD: As those who have been close  
18 to this project know, I joined this preview team fairly  
19 late in the process, having just been appointed to the  
20 Commission in February. Although, I have, with staff and  
21 others in this room, logged many long hours, a marathon  
22 hearing in San Jose several months ago.

23          And I would just like to agree with Mr. Williams'  
24 comments and those comments made about the extent to which  
25 this agency, in particular Mr. Williams, has gone to try

1 to accommodate the very unusual circumstances relative to  
2 the participation of the subject intervenor.

3 Ms. Luckhardt mentioned that our last hearing  
4 here was delayed close to 45 minutes while Mr. Williams  
5 made great attempts to try to get the telephone situation  
6 fixed and to establish a contact, which is almost  
7 impossible, with Mr. Garbett.

8 They did have a cell phone. My understanding is  
9 they did have brief cell phone communication. That link  
10 was lost. And of course the allegation was made that Mr.  
11 Williams hung up on the gentleman. Well, knowing Mr.  
12 Williams as I have these few months, I know that just  
13 isn't true.

14 So this process, as you indicated, Mr. Chairman,  
15 has taken far longer than was intended. My experience has  
16 been -- of that has been to accommodate all the many, many  
17 questions and to thoroughly review and analyze all the  
18 many, many issues and questions. And sometimes  
19 allegations have been raised about the propriety of  
20 certain actions.

21 I take a little bit of umbrage with some of the  
22 statements I heard this morning about concern for air  
23 quality. Those people know -- I've spent 20 years of my  
24 life in that business -- know that I wouldn't let that  
25 issue get by. And I've satisfied myself to that. I've

1 satisfied myself to the fact that the staff of this agency  
2 has gone to -- has gone the extra mile, quite frankly, to  
3 try to address all the various issues.

4           And I frankly do not see any threat to the  
5 public's health that isn't being addressed. I don't see  
6 any threats to the cultural resources that can't be and  
7 aren't being taken care of. And I don't see any threats  
8 to the air or the water or the environment, in general,  
9 that aren't being adequately addressed.

10           I don't think this project has been a slam dunk.  
11 We all know how critically short the Bay Area is with  
12 regard to energy and how much of an energy island it is.  
13 And we could have pushed this project much harder,  
14 recognizing none of us wants the lights to go out in the  
15 Bay Area again. But, nonetheless, a very deliberate  
16 process has been engaged in. So I'm quite comfortable  
17 with the process and quite comfortable with the final  
18 product.

19           Thank you.

20           CHAIRPERSON KEESE: Thank you.

21           Do we have anybody else in the audience who  
22 wishes to speak to this issue?

23           ASSISTANT CHIEF COUNSEL ICHIEN: Mr. Chairman,  
24 before you go to the audience, may I please --

25           CHAIRPERSON KEESE: Yes, yes. I'm sorry.

1           ASSISTANT CHIEF COUNSEL ICHIEN: To follow-up  
2 with respect to air quality, I just want to make the point  
3 that the staff not only has worked very closely with the  
4 air district to ensure that this proposed project meets  
5 all applicable air quality standards, and then some --  
6 because the staff, as you know, is typically very  
7 concerned about construction impacts which isn't always  
8 covered by the applicable district's rules -- but, in  
9 addition, the staff and applicant have gone the extra step  
10 to agreeing to a so-called demonstration project which  
11 would require the applicant to monitor construction  
12 emissions to ensure that the emissions do not exceed safe  
13 limits that have been imposed on the project. And the  
14 applicant can speak more to this if it chooses.

15           But I just wanted to point out that that  
16 additional safeguard has been incorporated into the  
17 requirements for this project.

18           And with respect to zoning, as you know, the  
19 Commission has made findings as to whether the proposed  
20 project complies with all applicable laws, ordinances,  
21 rules and standards, including general and specific plans  
22 to which this proposed project has been subject. And the  
23 important thing here in this proceeding is that the city  
24 of San Jose has made the appropriate amendments to its  
25 specific plan to accommodate the proposed project and

1 there is sufficient evidence in the Commission's record to  
2 make a finding that the project is likely to or will  
3 comply with all applicable laws and ordinances,  
4 regulations and standards.

5 CHAIRPERSON KEESE: Thank you.

6 COMMISSIONER BOYD: Mr. Chairman?

7 CHAIRPERSON KEESE: We may have somebody on the  
8 line here.

9 And this seems an appropriate time.

10 Mr. Dick Wocasek.

11 MS. McCANN: He just wanted to listen. He does  
12 not have any questions.

13 CHAIRPERSON KEESE: I am sorry.

14 We have Mr. Dick Wocasek of the Bay Area, AQMD.

15 Mr. Boyd and then Mr. Pernell.

16 COMMISSIONER BOYD: Excuse me, Commissioners.

17 Ms. Ichien reminded me of another comment that  
18 had been made earlier today about illegal construction  
19 activities. And I think I would like my fellow  
20 Commissioners and the audience and the record to show that  
21 on two occasions the Committee denied petitions from the  
22 applicant to allow preconstruction activities, not wanting  
23 to prejudice the lengthy process and the hearings that  
24 were taking place. And so I think it's fallacious to  
25 mention that there's been any illegal construction

1 activities as well.

2 Excuse me, Mr. Pernell.

3 CHAIRPERSON KEESE: Thank you.

4 MS. LUCKHARDT: I can clarify that.

5 PG&E has started construction of the substation.

6 And so I think there may be some misunderstanding, that

7 Calpine has not started any construction.

8 CHAIRPERSON KEESE: Thank you, Ms. Luckhardt.

9 Commissioner Pernell.

10 COMMISSIONER PERNELL: Thank you, Mr. Chairman.

11 I only have one remaining question. I think that  
12 this has been a good dialogue this morning.

13 Has there been -- and this is for the Public  
14 Adviser. Mr. Garbett stated that he wasn't getting the  
15 information he requested. Has he requested any  
16 information from your office?

17 PUBLIC ADVISER MENDONCA: Thank you, Commissioner  
18 Pernell.

19 Yes, my office has provided Mr. Garbett rather  
20 routinely when a docket -- when an item or document goes  
21 into dockets. We make a copy and mail it, even before he  
22 asks. There was a period of time very early in the  
23 project when there was difficulty for -- apparently  
24 proof-of-service documents reaching Mr. Garbett with some  
25 slight delay. So we automatically when we saw a document

1 that should go to the proof of service, we'd make a copy  
2 and mail it.

3 Unfortunately, in this case, this particular  
4 intervenor, the only way to contact him has been through  
5 his P.O. Box.

6 COMMISSIONER PERNELL: All right. So a proof of  
7 service though, a P.O. Box doesn't work, does it?

8 PUBLIC ADVISER MENDONCA: Yeah, a first-class  
9 mail will work. But you cannot do overnight.

10 COMMISSIONER PERNELL: Okay. Thank you, Mr.  
11 Chairman.

12 CHAIRPERSON KEESE: Thank you.

13 I am prepared to entertain a motion to adopt the  
14 Energy Commission decision on the Los Esteros Critical  
15 Energy Facility, incorporating the Presiding Member's  
16 Proposed Decision and the Committee Errata dated July 2nd,  
17 2002.

18 I believe all the Commissioners have a Commission  
19 Adoption Order in front of them.

20 COMMISSIONER BOYD: Mr. Chairman, I'm prepared to  
21 make that motion.

22 CHAIRPERSON KEESE: Motion by Commissioner Boyd.

23 COMMISSIONER PERNELL: Second.

24 CHAIRPERSON KEESE: Second by Commissioner  
25 Pernell.



1 All in favor?

2 (Ayes.)

3 CHAIRPERSON KEESE: Opposed?

4 Adopted four to nothing.

5 Thank you.

6 Before everybody escapes, I will announce for  
7 those who are interested that our July 31st hearing is  
8 off. So we will not be having a hearing on July 31st.

9 At this time, I'm -- Mr. Boyd, are you ready --

10 COMMISSIONER BOYD: Would you like me to -- we  
11 have a somewhat surprise special occasion today. It's a  
12 surprise to some of the Commissioners, not so much a  
13 surprise to -- maybe somewhat of a surprise to a couple of  
14 the employees of the organization. But at this time the  
15 Commission wants to recognize two employees for having  
16 successfully completed 25 years of distinguished service  
17 for the State of California. Most of which I understand,  
18 if not all of which, have been here at the Energy  
19 Commission.

20 So the two gentlemen in question, Peter Ward and  
21 Jerry Weems, if you would stand up and come to the  
22 rostrum. I'll join you down there and juggle all this.

23 Let me just give a little -- while they're  
24 standing there embarrassed in front of the whole  
25 audience -- a little bit about them.

1           Both of these gentlemen have done most of their  
2 work and have made significant contributions in that work  
3 to the transportation energy programs of this agency.  
4 That's a subject near and dear to my heart, a subject I  
5 knew in another life quite well. And so in joining the  
6 Commission it's been my pleasure to serve and work on  
7 those programs and working with these gentlemen.

8           Peter Ward, identify yourself to the audience  
9 there.

10           Peter started with the Commission in 1977 and was  
11 instrumental in the role he assumed as program lead for  
12 the Commission's methanol fuel demonstration, which I had  
13 a lot of experience with in a prior life. He's been a  
14 champion for alternative fuel research and development  
15 during his work here. He's been an effective public  
16 spokesman, and I can attest to that, on the subject of  
17 alternative fuels.

18           Peter is currently the lead staff person for the  
19 Department of Energy's Clean Cities Program and the  
20 State's Fleet Fuel Efficiency Study that was required in  
21 accordance with Senate Bill 1170.

22           Now, Mr. Weems, the other person. Jerry Weems  
23 came to the Commission from the Air Resources Board in  
24 1979. I don't know how we let you go, Jerry. But that's  
25 the way it goes.

1           He's been an active participant in the  
2 Commission's heavy-duty vehicle program since that time.  
3 He has been instrumental in crafting legislation in which  
4 led to the creation of a program known as the Carl Moyer  
5 Heavy-Duty Vehicle Program; Carl Moyer, a dear departed  
6 friend to many of us and honored by that program.

7           Jerry has demonstrated his experience in  
8 liquefied natural gas and natural gas engine development,  
9 something that I think we're going to see a lot more of.

10           So for the Commission, for myself, for the staff,  
11 and, frankly, for the people of California, I'd like to  
12 extend the Commission's congratulations and my personal  
13 congratulations to both of you. And I will come down now  
14 and present you with some commemorative things. And then  
15 offer both of you an opportunity to speak to the audience  
16 here.

17           (Applause.)

18           CHAIRPERSON KEESE: Thank you, Commissioner Boyd.  
19 And you speak for the whole Commission.

20           COMMISSIONER BOYD: Peter, I started with you.  
21 So I'd like to present you with your certificate and my  
22 congratulations.

23           And the gold watch.

24           (Applause.)

25           COMMISSIONER BOYD: Jerry, congratulations.

1 Appreciate your service. Your certificate.

2 And not wanting to send a message of retirement,

3 Jerry has chosen the clock and fountain pen for his desk.

4 Congratulations to both of you.

5 (Applause.)

6 MR. WARD: Thank you very much.

7 Twenty-five years went by very fast for me.

8 Working at the Energy Commission has had a profound effect  
9 on my life and it's been an inspiration for my life. I've  
10 met a great deal of many wonderful people, including my  
11 wife here, at the Energy Commission. And we are happily  
12 married for nearly 14 years now.

13 All the associations and friends and  
14 opportunities that I've had while at the Energy Commission  
15 I'll truly be grateful for. And I look forward to being  
16 inspired in the future and taking the Transportation  
17 Energy Division and its programs to further heights.

18 Thank you all very much.

19 CHAIRPERSON KEESE: Thank you, Peter.

20 (Applause.)

21 MR. WEEMS: I would like to express my  
22 appreciation for the opportunity to work with both the  
23 staff and the Commissioners of the Energy Commission, as  
24 well as the Air Resources Board in the past. It's been a  
25 privilege to participate in some groundbreaking

1 activities. And I hope to see those activities to further  
2 conclusion, further success.

3 Thank you.

4 CHAIRPERSON KEESE: Thank you, Jerry.

5 (Applause.)

6 MR. WARD: I also want to thank you for having a  
7 special meeting for us.

8 (Laughter.)

9 COMMISSIONER BOYD: You, gentlemen, please stick  
10 around.

11 CHAIRPERSON KEESE: Ms. Luckhardt, I didn't mean  
12 to cut you off quite so abruptly, but we did want to -- we  
13 were going to start with that program, but we decided to  
14 do it right there.

15 If you have any final comments --

16 MS. LUCKHARDT: No, we just want to thank  
17 Commission staff for their time and effort. They really  
18 put in a lot of effort and a lot of time to get this  
19 project to go forward, and a lot of extraordinary effort  
20 over holidays and various times during the last year.

21 We also appreciate the commitment and effort from  
22 this Committee and this Commission to hold the hearing  
23 today and to move this project along when we seemed to get  
24 stalled and bogged down and prod us in the right  
25 direction. So we appreciate that.

1 Thank you.

2 CHAIRPERSON KEESE: Thank you very much.

3 Commission Committee and Oversight?

4 Chief Counsel's report?

5 CHIEF COUNSEL CHAMBERLAIN: Mr. Chairman, I would  
6 just report that in the are of the wetlands case there was  
7 an attempt of a party to intervene for the purpose of  
8 trying to enjoin the Moss Landing Power Plant. That  
9 hearing was held last Friday, and the intervention was not  
10 successful. And so the hearing on the merits is  
11 proceeding later this summer. But we will have to be  
12 battling a preliminary injunction on that.

13 CHAIRPERSON KEESE: Thank you.

14 Executive Director's report.

15 EXECUTIVE DIRECTOR LARSON: Nothing to report.

16 CHAIRPERSON KEESE: Public Adviser's report.

17 PUBLIC ADVISER MENDONCA: Nothing to report at  
18 this time.

19 Thank you.

20 CHAIRPERSON KEESE: Any public comment at this  
21 time?

22 Hearing none, the meeting's adjourned.

23 Thank you.

24 (Thereupon the California Energy Commission  
25 meeting adjourned at 10:50 a.m.)

## 1 CERTIFICATE OF REPORTER

2 I, JAMES F. PETERS, a Certified Shorthand  
3 Reporter of the State of California, and Registered  
4 Professional Reporter, do hereby certify:

5 That I am a disinterested person herein; that the  
6 foregoing California Energy Commission meeting was  
7 reported in shorthand by me, James F. Peters, a Certified  
8 Shorthand Reporter of the State of California, and  
9 thereafter transcribed into typewriting.

10 I further certify that I am not of counsel or  
11 attorney for any of the parties to said meeting nor in any  
12 way interested in the outcome of said meeting.

13 IN WITNESS WHEREOF, I have hereunto set my hand  
14 this 11th day of July, 2002.

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